

AGENDA ITEM
December 4, 2018

Subject: Alliance Water Resources Contract Amendment 4

Department: City Manager

Amendment 4 will increase the base contract services by 1.39% for total requested compensation of \$1,519,524. The City will continue to purchase materials and supplies directly with the exception of water treatment chemicals. Alliance will continue to purchase chemicals on behalf of the City. The proposed Chemical Limit of \$82,200 is less than 2018.

BILL NO. 2018-041

ORDINANCE NO.

A SPECIAL ORDINANCE OF THE CITY OF NEVADA, MISSOURI APPROVING AND AUTHORIZING THE EXECUTION OF AMENDMENT NO. 4 TO THE CONTRACT BETWEEN THE CITY OF NEVADA, MISSOURI AND ALLIANCE WATER RESOURCES, INC.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF NEVADA, MISSOURI THAT:

Section 1. A contract between the City of Nevada, Missouri and Alliance Water Resources, Inc., Ordinance No. 7692, was approved on December 28th, 2010. Annual Memoranda were approved by Ordinance No. 7780, Ordinance No. 7869, Ordinance No. 7939, and Ordinance No. 8020, Amendment No. 1, Ordinance No. 8081, was approved on December 15, 2015, Amendment No. 2, Ordinance No. 8130, was approved on December 20, 2016 and Amendment No. 3, Ordinance No. 8197, was approved on December 19, 2017.

Section 2. Amendment No. 4 to the contract attached hereto as Exhibit "A" and incorporated herein by reference is hereby approved.

Section 3. The Mayor and the Deputy City Clerk are hereby authorized and directed to execute said agreement on behalf of the City of Nevada, Missouri, and to affix the municipal seal thereto and attest the same.

Section 4. This ordinance shall be in full force and effect from and after its final passage.

PASSED, APPROVED AND ADOPTED by the City Council of the City of Nevada, Missouri this _____ day of December, 2018.

(seal)
ATTEST

Brian L. Leonard, Mayor

Johnna Williams, Deputy City Clerk

Amendment 4 to the Contract between the City of Nevada, Missouri and
Alliance Water Resources, Inc.

Amendment 4 has been entered into this _____ day of _____, 2018, by and between the City of Nevada, Missouri, a municipal corporation of the state of Missouri (hereinafter referred to as "City"), and Alliance Water Resources, Inc., (hereinafter referred to as "Alliance").

This Amendment 4 has as its purpose to modify the initial Professional Service Agreement dated December 28, 2010 ("Agreement") and Amendment 1 to the Contract between the City of Nevada, Missouri and Alliance Water Resources dated December 15, 2015 ("Amendment 1") and Amendment 2 between the City of Nevada and Alliance Water Resourced dated December 20, 2016 and Amendment 3 between the City of Nevada and Alliance Water Resourced dated December 19, 2017.

Pursuant to Section 5.4, the Service Agreement is modified under the following Sections:

5.1 Alliance base compensation per this Agreement shall be \$1,437,324.00 and the Chemical Limit shall be \$82,200.00 for a total amount of \$1,519,524.00 for the fiscal year beginning January 1, 2019 and ending December 31, 2019.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed as of the first date written above.

Authorized Signature

Authorized Signature

President
Alliance Water Resources, Inc.

Brian L. Leonard, Mayor
City of Nevada, Missouri

Date

Date

ATTEST:

Secretary

Johnna, Williams
Deputy City Clerk



October 18, 2018

JD Kehrman
City Manager
110 South Ash
Nevada, Missouri 64772

**RE: Alliance Water Resources
2019 Nevada Water and Wastewater
Proposed Budget**

Dear Mr. Kehrman,

Alliance Water Resources (AWR) is pleased to present the proposed budget for 2019 for your review and consideration. We are requesting an increase of 1.39% to the current contract's annual base compensation amount, making the new annual total \$1,519,524.00 (\$126,627.00 monthly) as outlined in the attached Memorandum of Agreement.

Per the request of the City, Alliance will continue to purchase water treatment chemicals on behalf of the City. The 2019 Chemical Limit is \$82,200. This amount is included in the Base Fee charged by Alliance for fiscal year 2019. As you will notice, the annual chemical budget is considerably less than last year due to additional operating efficiencies that (AWR) has identified to lower chemical usage within the water treatment process while continuing to provide excellent water quality.

It is our goal at Alliance to provide exceptional services to the City of Nevada by providing well trained certified employees and seasoned experienced management personnel. In 2019 we plan to concentrate on the water treatment plant upgrade project by working directly with the City staff and contract engineers in the planning and engineering stages of the project. We will also be concentrating on the water main valve exercising program along with the collection system in-flow and infiltration program.

It is our pleasure to serve the City of Nevada and we look forward to another productive year in 2019. If you have any questions or concerns, please feel free to contact me at 573-874-8080 extension 274.

Sincerely,

A handwritten signature in black ink, appearing to read "Gary Johnson", is written over a horizontal line.

Gary Johnson
Division Manager
Alliance Water Resources

Cc. Mayor Leonard, Tim Geraghty